

PENALTIES

§ 10.560 General.

Except as otherwise provided in this subpart, all criminal, civil or administrative penalties which may be imposed on U.S. importers for violations of the customs and related laws and regulations will also apply to U.S. importers for violations of the laws and regulations relating to the SFTA.

§ 10.561 Corrected claim or supporting statement.

An importer who makes a corrected claim under §10.510(b) will not be subject to civil or administrative penalties under 19 U.S.C. 1592 for having made an incorrect claim or supporting statement, provided that the corrected claim is promptly and voluntarily made.

§ 10.562 Framework for correcting claims or supporting statements.

(a) *“Promptly and voluntarily” defined.* Except as provided for in paragraph (b) of this section, for purposes of this subpart, the making of a corrected claim or supporting statement will be deemed to have been done promptly and voluntarily if:

(1)(i) Done within one year following the date on which the importer made the incorrect claim; or

(ii) Done later than one year following the date on which the importer made the incorrect claim, provided that the corrected claim is made:

(A) Before the commencement of a formal investigation, within the meaning of §162.74(g) of this chapter; or

(B) Before any of the events specified in §162.74(i) of this chapter has occurred; or

(C) Within 30 days after the importer initially becomes aware that the incorrect claim is not valid; and

(2) Accompanied by a statement setting forth the information specified in paragraph (c) of this section; and

(3) Accompanied or followed by a tender of any actual loss of duties and merchandise processing fees, if applicable, in accordance with paragraph (e) of this section.

(b) *Exception in cases involving fraud or subsequent incorrect claims—(1) Fraud.* An importer who acted fraudulently in

making an incorrect claim may not make a voluntary correction of that claim. For purposes of this paragraph, the term “fraud” will have the meaning set forth in paragraph (C)(3) of appendix B to part 171 of this chapter.

(2) *Subsequent incorrect claims.* An importer who makes one or more incorrect claims after becoming aware that a claim involving the same merchandise and circumstances is invalid may not make a voluntary correction of the subsequent claims pursuant to paragraph (a)(1)(ii)(C) of this section.

(c) *Statement.* For purposes of this subpart, each corrected claim must be accompanied by a statement, submitted in writing or via an authorized electronic data interchange system, which:

(1) Identifies the class or kind of good to which the incorrect claim relates;

(2) Identifies each affected import transaction, including each port of importation and the approximate date of each importation.

(3) Specifies the nature of the incorrect statements or omissions regarding the claim; and

(4) Sets forth, to the best of the person’s knowledge, the true and accurate information or data which should have been covered by or provided in the claim, and states that the person will provide any additional information or data which is unknown at the time of making the corrected claim within 30 days or within any extension of that 30-day period as CBP may permit in order for the person to obtain the information or data.

(d) *Substantial compliance.* For purposes of this section, a person will be deemed to have submitted the statement described in paragraph (c) of this section even though that person provided corrected information in a manner which does not conform to the requirements of the statement specified in paragraph (c) of this section, provided that the information submitted includes, orally or otherwise, substantially the same information as that specified in paragraph (c) of this section.

(e) *Tender of actual loss of duties.* A U.S. importer who makes a corrected claim must tender any actual loss of

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duties at the time of making the corrected claim, or within 30 days thereafter, or within any extension of that 30-day period as CBP may allow in order for the importer to obtain the information or data necessary to calculate the duties owed.

(f) *Applicability of prior disclosure provisions.* Where a person fails to meet the requirements of this section, that person may nevertheless qualify for prior disclosure treatment under 19 U.S.C. 1592(c)(4) and 162.74 of this chapter.

GOODS RETURNED AFTER REPAIR OR ALTERATION

§ 10.570 Goods re-entered after repair or alteration in Singapore.

(a) *General.* This section sets forth the rules which apply for purposes of obtaining duty-free treatment on goods returned after repair or alteration in Singapore as provided for in subheadings 9802.00.40 and 9802.00.50, HTSUS. Goods returned after having been repaired or altered in Singapore, whether or not pursuant to a warranty, are eligible for duty-free treatment, provided that the requirements of this section are met. For purposes of this section, “repairs or alterations” means restoration, addition, renovation, re-dyeing, cleaning, re-sterilizing, or other treatment which does not destroy the essential characteristics of, or create a new or commercially different good from, the good exported from the United States.

(b) *Goods not eligible for duty-free treatment after repair or alteration.* The duty-free treatment referred to in paragraph (a) of this section will not apply to goods which, in their condition as exported from the United States to Singapore, are incomplete for their intended use and for which the processing operation performed in Singapore constitutes an operation that is performed as a matter of course in the preparation or manufacture of finished goods.

(c) *Documentation.* The provisions of paragraphs (a), (b), and (c) of §10.8 of this part, relating to the documentary requirements for goods entered under subheading 9802.00.40 or 9802.00.50, HTSUS, will apply in connection with

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the entry of goods which are returned from Singapore after having been exported for repairs or alterations and which are claimed to be duty free.

Subpart J—Dominican Republic— Central America—United States Free Trade Agreement

SOURCE: CBP Dec. 08-22, 73 FR 33678, June 13, 2008, unless otherwise noted.

GENERAL PROVISIONS

§ 10.581 Scope.

This subpart implements the duty preference and related customs provisions applicable to imported and exported goods under the Dominican Republic—Central America—United States Free Trade Agreement (the CAFTA-DR) signed on August 5, 2004, and under the Dominican Republic—Central America—United States Free Trade Agreement Implementation Act (the Act; Pub. L. 109-53, 119 Stat. 462 (19 U.S.C. 4001 *et seq.*), as amended by section 1634 of the Pension Protection Act of 2006 (Pub. L. 109-280, 120 Stat. 1167). Except as otherwise specified in this subpart, the procedures and other requirements set forth in this subpart are in addition to the customs procedures and requirements of general application contained elsewhere in this chapter. Additional provisions implementing certain aspects of the CAFTA-DR and the Act are contained in parts 24, 162, and 163 of this chapter.

§ 10.582 General definitions.

As used in this subpart, the following terms will have the meanings indicated unless either the context in which they are used requires a different meaning or a different definition is prescribed for a particular section of this subpart:

(a) *Claim for preferential tariff treatment.* “Claim for preferential tariff treatment” means a claim that a good is entitled to the duty rate applicable under the CAFTA-DR to an originating good or other good specified in the CAFTA-DR, and to an exemption from the merchandise processing fee;

(b) *Claim of origin.* “Claim of origin” means a claim that a textile or apparel good is an originating good or a good of a Party;